

Jody L. McLeod
MAYOR

Bruce Thompson
TOWN ATTORNEY

Steve Biggs
TOWN MANAGER

Premier Community



for Active Families

Bob Satterfield
Art Holder
Jason Thompson
R.S. "Butch" Lawter, Jr.
COUNCIL MEMBERS

Michael Grannis
MAYOR PRO TEM

April 4, 2014

Fiscal Research Division
Legislative Office Building
300 N Salisbury St #619
Raleigh, NC 27603-5925

Re: Report of Local Government Proposed Debt
Pending Revenue Bond for Electric System Expansion
Town of Clayton, North Carolina

Dear Mr. Trogon:

This letter serves as notification the Town of Clayton is undertaking a capital project ("Project") to expand its electric system, which will require the installation of infrastructure to provide service to new customers. The Town expects to issue approximately \$2.0 million (\$2,000,000) in revenue bonds (in one or more series) to finance this Project that will require approval by the Local Government Commission. The Town has in place a bond order that pledges the revenue from the electric system to the repayment of revenue bonds supported by the system. Therefore, repayment will come from the pledged revenues generated by the electric system. It is anticipated that such payments will be made over a ten year period from the date of issuance.

Please contact me if you have any questions or need additional information.

Sincerely,

R. Steven Biggs
Town Manager

Cc: Nancy Medlin, Deputy Town Manager
Robert McKie, Finance Director
Dale Medlin, Electric Systems Director
Vance Holloman, Deputy Treasurer